

EXHIBIT III-14 PER CAPITA INCOME, 1995

Rank	County	1995 Per Capita Income
1	Johnson County, KS	\$32,909
2	Platte County, MO	\$26,372
	Kansas City MSA	\$24,576
3	Jackson County, MO	\$23,651
	U.S. Average	\$23,196
4	Clay County, MO	\$23,031
5	Cass County, MO	\$19,939
6	Miami County, KS	\$19,054
7	Clinton County, MO	\$19,039
8	Lafayette County, MO	\$18,425
9	Leavenworth County, KS	\$17,509
10	Wyandotte County, KS	\$17,051
11	Ray County, MO	\$16,822

Source: CERI, Kansas City Metro Market Profile, 1998.

EXHIBIT III-15 TOTAL EMPLOYMENT GROWTH, KANSAS CITY MSA, 1985-1995

Rank	County	Total Employment 1995	Total Employment 1995	Numeric Change 1985-1995	Annual Percent Change 1985-1995
1	Platte County, MO	21,859	36,343	14,484	5.2%
2	Johnson County, KS	185,877	293,450	107,573	4.7%
3	Cass County, MO	15,331	23,357	8,026	4.3%
4	Clay County, MO	68,751	97,770	29,019	3.6%
5	Leavenworth County, KS	23,580	30,9741	7,394	2.8%
6	Lafayette County, MO	10,224	12,491	2,267	2.0%
	Kansas City MSA	870,775	1,062,970	192,195	2.0%
	United States	121,584,100	146,306,100	24,722,000	1.9%
7	Clinton County, MO	4,706	5,645	939	1.8%
8	Ray County, MO	5,305	6,101	796	1.4%
9	Miami County, KS	8,219	9,446	1,227	1.4%
10	Jackson County, MO	433,506	454,197	20,691	0.5%
11	Wyandotte County, KS	93,417	93,196	(221)	0.0%

Source: CERI, Kansas City Metro Market Profile, 1998.

EXHIBIT III-16 **BUSINESS GROWTH (ALL INDUSTRIES),** **KANSAS CITY MSA, 1985-1995**

Rank	County	Total Business Establishments 1985	Total Business Establishments 1995	Numeric Change 1985-1995	Annual Percent Change 1985-1995
1	Platte County, MO	901	1,585	684	5.8%
2	Cass County, MO	1,044	1,489	445	3.6%
3	Johnson County, KS	9,571	13,622	4,051	3.6%
4	Clay County, MO	3,340	4,406	1,066	2.8%
5	Ray County, MO	338	406	68	1.8%
	Kansas County MSA	37,855	45,161	7,306	1.8%
6	Miami County, KS	451	536	85	1.7%
7	Leavenworth County, KS	857	1,003	146	1.6%
8	Clinton County, MO	345	403	58	1.6%
	United States	5,701,485	6,613,218	911,733	1.5%
9	Lafayette County, MO	666	757	91	1.3%
10	Jackson County, MO	16,973	17,831	858	0.5%
11	Wyandotte County, KS	3,369	3,123	(246)	-0.8%

Source: CERI, Kansas City Metro Market Profile, 1998.

A strong growth in the number of business establishments in the Kansas City MSA contributed to the employment growth rate. As shown in Exhibit III-16, the number of businesses in the region increased by 7,306, from 37,855 in 1985 to 45,161 in 1995. This increase of 1.8 percent was above the 1.5 percent increase in new businesses nationally from 1985 to 1995. Ten of the 11 counties in the MSA experienced an increase in new businesses during this time; eight of the 11 counties experienced percentage growth increases higher than the national growth rate.

Exhibit III-17 shows the non-farm employment sectors in which the area's 1,062,970 workers were engaged in 1995. The Services sector accounted for 323,340 jobs, or 30.4 percent of total employment in the MSA. The Retail sector accounted for 17.0 percent of the area's non-farm jobs, and Government was responsible for 13.5 percent. Construction (5.4 percent) and Agricultural Services and Mining (1.1 percent) accounted for the fewest jobs in the Kansas City MSA. It should be noted, however, that the exact mix of employment by sector does vary widely in different counties within the MSA.

c. Local Demographics

As shown in the earlier exhibits, Johnson County has been among the leading counties in the Kansas City MSA in population, employment and business growth. From 1980 to 1990 it led the MSA in both percentage growth (2.8 percent) and numeric growth (84,785 additional residents). Johnson County continued to be the source of the largest numeric growth from 1990 to 1997, increasing its population from 355,054 to 417,336 (a growth of 62,282). Population projections identify Johnson County as accounting for over half of the total population increase in the overall Kansas City MSA between 1997 and 2020. During this time, it is projected that the Johnson County population will expand from 417,336 persons to 533,308, an increase of 115,972 persons. This 1.9 percent increase amounts to the largest percentage growth projected for any of the counties in the MSA during this time.

EXHIBIT III-17

NON-FARM EMPLOYMENT BY SECTOR, KANSAS CITY MSA, 1995

	Kansas City MSA	% of Total	Jackson County, MO	% of Total	Johnson County, KS	% of Total	Clay County, MO	% of Total
Ag. Serv. & Mining	11,624	1.1%	3,371	0.7%	4,303	1.5%	838	0.9%
Const.	57,734	5.4%	23,725	5.2%	14,706	5.0%	4,860	5.0%
Manuf.	111,256	10.5%	47,580	10.5%	22,152	7.5%	17,735	18.1%
T.C.P.U.	74,501	7.0%	29,411	6.5%	19,642	6.7%	4,325	4.4%
Wholesale	65,553	6.2%	24,055	5.3%	21,251	7.2%	7,473	7.6%
Retail	180,312	17.0%	72,569	16.0%	56,638	19.3%	20,076	20.5%
F.I.R.E.	94,981	8.9%	46,574	10.3%	32,355	11.0%	4,885	5.0%
Services	323,340	30.4%	144,700	31.9%	96,576	32.9%	27,096	27.7%
Government	143,669	13.5%	62,212	13.7%	25,827	8.8%	10,482	10.7%
Total	1,062,970	100.0%	454,197	100.0%	293,450	100.0%	97,770	100.0%

	Wyandotte County, KS	% of Total	Platte County, MO	% of Total	Leavenworth County, KS	% of Total	Cass County, MO	% of Total
Ag. Serv. & Mining	379	0.4%	591	1.6%	425	1.4%	656	2.8%
Const.	4,993	5.4%	2,119	5.8%	1,854	6.0%	2,894	12.4%
Manuf.	15,603	16.7%	2,138	5.9%	1,795	5.8%	1,540	6.6%
T.C.P.U.	9,663	10.4%	8,288	22.8%	529	1.7%	1,038	4.4%
Wholesale	8,702	9.3%	1,810	5.0%	387	1.2%	598	2.6%
Retail	10,296	11.0%	4,856	13.4%	4,094	13.2%	5,247	22.5%
F.I.R.E.	2,815	3.0%	2,575	7.1%	1,771	5.7%	1,447	6.2%
Services	21,332	22.9%	10,994	30.3%	7,630	24.6%	6,254	26.8%
Government	19,413	20.8%	2,972	8.2%	12,489	40.3%	3,683	15.8%
Total	93,196	100.0%	36,343	100.0%	30,974	100.0%	23,357	100.0%

	Lafayette County, MO	% of Total	Miami County, KS	% of Total	Clinton County, MO	% of Total	Ray County, MO	% of Total
Ag. Serv. & Mining	205	1.6%	440	4.7%	221	3.9%	195	3.2%
Const.	812	6.5%	876	9.3%	393	7.0%	502	8.2%
Manuf.	1,403	11.2%	740	7.8%	240	4.3%	330	5.4%
T.C.P.U.	532	4.3%	398	4.2%	226	4.0%	449	7.4%
Wholesale	559	4.5%	195	2.1%	252	4.5%	271	4.4%
Retail	2,703	21.6%	1,642	17.4%	992	17.6%	1,199	19.7%
F.I.R.E.	820	6.6%	605	6.4%	668	11.8%	466	7.6%
Services	3,185	25.5%	2,372	25.1%	1,781	31.6%	1,420	23.3%
Government	2,272	18.2%	2,178	23.1%	872	15.4%	1,269	20.8%
Total	12,491	100.0%	9,446	100.0%	5,645	100.0%	6,101	100.0%

Source: CERI, Kansas City Metro Market Profile, 1998.

Over half of the new jobs created in the Kansas City MSA between 1985 and 1995 were in Johnson County, as shown in the earlier exhibits. Total employment in the county increased from 185,877 in 1985, to 293,450 in 1995 (a 4.7 percent increase of 105,573). By comparison, job growth for the entire eleven-county MSA grew by 192,195 during this period (including Johnson County). Part of this growth can be attributed to the increase in total businesses in Johnson County during these years. From 1985 to 1995, total businesses in the county increased by 4,051—over half of the 7,306 additional businesses tallied for the entire MSA during this period.

Douglas County, located to the west of Johnson County (and outside of the Kansas City MSA), is just one mile from Sunflower. The largest city in Douglas County is the City of Lawrence, which is home to the University of Kansas. Though considerably smaller than Johnson County, Douglas County has exhibited the same strong population growth trends as its eastern neighbor. In addition to the residential and employment draw of the City of Lawrence (by far the largest city in the county), Douglas County is within an easy drive of both Topeka and Kansas City, making it an attractive location for both residential and business purposes.

As shown in Exhibit III-18, Douglas County experienced rapid growth between 1980 and 1990, growing from 67,640 persons to 81,798 persons in that time (an increase of over 20 percent). Projections for the county indicate that each of the incorporated, as well as the unincorporated areas, will experience continued growth into the 21st century. In fact, the county as a whole is projected to experience double-digit percentage population increases by the year 2000, and again in 2010.

Douglas County has also experienced a substantial growth in employment in the last two decades, and this trend is projected to continue into the next century. Exhibit III-19 shows that total employment in Douglas County increased by 43.5 percent from 1970 to 1980, and another 27.2 percent from 1980 to 1990. Employment projections indicate that employment growth will continue for the next few decades, though perhaps not at the energetic rate of the 1970s and 1980s. However, the county’s comprehensive plan includes an economic development goal of adding 20,000 new jobs by the year 2020, which would far exceed these existing projections.

EXHIBIT III-18

DOUGLAS COUNTY POPULATION GROWTH, 1970-2020

Year	Lawrence		Eudora		Baldwin		Lecompton		Balance of County		Douglas County	
	Pop.	%	Pop.	%	Pop.	%	Pop.	%	Pop.	%	Pop.	%
1970	45,698	----	2,071	----	2,520	----	434	----	7,209	----	57,932	----
1980	52,738	15.4	2,934	41.7	2,829	12.3	566	30.4	8,513	18.9	67,640	16.8
1990	65,608	24.4	3,006	2.5	2,961	4.7	619	9.4	9,604	12.0	81,798	20.9
2000*	73,025	11.3	3,629	20.7	3,084	4.2	726	17.2	10,251	6.7	90,714	10.9
2010*	81,506	11.6	4,338	19.5	3,228	4.7	857	18.2	10,945	6.8	100,874	11.2
2020*	87,479	7.3	5,063	16.7	3,286	1.8	916	6.9	10,989	0.4	107,733	6.8

* Projections prepared by TPAP and the University of Kansas Institute for Public Policy and Business Research as Part of the Horizon 2020, Phase I Report.

Source: Horizon 2020: The Comprehensive Plan for the City of Lawrence and Unincorporated Douglas County, 1998.

EXHIBIT III-19

DOUGLAS COUNTY EMPLOYMENT GROWTH, 1970-2020

	Lawrence		Eudora		Baldwin		Lecompton		Balance of County		Douglas County	
Year	Pop.	%	Pop.	%	Pop.	%	Pop.	%	Pop.	%	Pop.	%
1970	17,942	NA	NA	NA	942	NA	NA	NA	NA	NA	22,008	----
1980	25,279	40.9	1,203	NA	1,307	38.7	281	NA	3,514	NA	31,584	16.8
1990	32,603	28.9	1,402	-16.5	1,413	7.5	276	-1.8	4,492	21.8	40,186	20.9
2000*	----	----	----	----	----	----	----	----	----	----	*45,450	10.9
2010*	----	----	----	----	----	----	----	----	----	----	100,874	11.2
2020*	----	----	----	----	----	----	----	----	----	----	107,733	6.8

* - Projections prepared by TPAP and the University of Kansas Institute for Public Policy and Business Research as Part of the Horizon 2020, Phase I Report.

Source: Horizon 2020: The Comprehensive Plan for the City of Lawrence and Unincorporated Douglas County, 1998.

2. Housing

a. Sunflower Housing Characteristics

Existing housing characteristics for Sunflower do not include any currently occupied housing units within the facility boundaries. Barracks located on the site are vacant and there are no current or proposed Facility Use Agreements for their utilization as housing units.

b. Surrounding Area Housing Characteristics

Land use to the south, east, and west of Sunflower is primarily agricultural. In the surrounding agricultural areas, there are large acreage single-family residences located between K-10 and 103rd Street.

Adjacent to the property along the northeast boundary, a recently constructed (September 1998) apartment complex, Prospector's Point, is located along Lexington Avenue near Countryside Elementary School. The complex has 32 units.

Immediately north of Sunflower is Clearview City, which is a 230-unit multi-family residential complex (primarily built to house site workers during World War II.) The development was annexed to the City of DeSoto in 1998. The community has an occupancy rate of 100 percent, with a waiting list for vacancies.

The City of DeSoto has approximately 70 percent of its population as homeowners, with an average home value of \$71,998. In recent years, 200 new single-family homes have been built in nine new subdivisions. Residential development outside the municipality has occurred primarily along major north-south streets. The newer subdivisions are approximately 78 percent occupied according to 1995 data.

The *Johnson County Demographic Update, November 1992*, presents the county's housing status for the 1980-1990 decade. The main points are summarized below:

- *Housing Costs*—The median value of an owner-occupied home in Johnson County is \$91,500. The median gross rent is \$515.
- *Occupancy*—Johnson County had 136,000 occupied units, with 69.4 percent owner occupied and 30.6 percent renter occupied. Over 2/3 of the county's housing units are detached single-family homes. The average vacancy rate is 5.4 percent.
- *New Housing*—In the summarized decade, 26,500 and 17,750 building permits were issued for single-family and multi-family dwelling unit, respectively. Over 41,300 new housing units were added.

Exhibit III-20 presents detailed analysis of the above-summarized information regarding housing characteristics. Exhibit III-20 also presents information concerning the age of homes and types of housing structures.

3. Land Use and Zoning

a. Sunflower Land Use Characteristics

Sunflower consists of 9,065 acres of predominantly undeveloped open range lands that are currently utilized for pasture and hay production. Riparian forests are located along three creeks, which provide flood control and green space. A major north/south ridgeline bisects the property.

Land uses at the property are the result of past Sunflower activities and current area needs. The facility's primary purpose, the manufacture of propellants, resulted in the developed areas being predominantly utilized for heavy industrial manufacturing purposes. Other minimal uses such as recreation, transportation, and housing were developed as needed by the occupants and transient workers. Still, much of the property has not been developed, including the eastern portion in the Kill Creek basin.

Industrial developed areas have been utilized intermittently since the facility was commissioned in 1942 for the production of propellant end products and associated chemicals. The Army's manufacturing facilities are currently on standby and are maintained by Alliant Techsystems, the operating contractor for all of Sunflower's production facilities.

Inactive developed areas exist throughout Sunflower. The majority of Sunflower's buildings and facilities fall into this category. These areas also include 54 solid waste management units (SWMUs) resulting from the previous manufacture, treatment, and disposal activities related to the production of propellant on the site.

Many existing structures at Sunflower are currently leased. Current leases at the site as well as the building or facility utilized, land or business use, and approximate size of the facility or parcel are identified in Exhibit III-21. Exhibit III-22 shows the locations of several leased buildings and facilities. Open range lands free of structures are leased for hay production (seven leases) and grazing land (five leases). These leases utilized 6,948 acres of the property.

EXHIBIT III-20 **JOHNSON COUNTY HOUSING CHARACTERISTICS, 1990**

Category	Johnson County	Kansas
OCCUPANCY & TENURE		
Total Housing Units	144,155	1,044,112
Occupied Housing Units	136,433	944,726
Owner occupied	94,661	641,762
Percent owner occupied	69.40%	67.90%
Renter occupied	41,772	302,964
Percent renter occupied	30.60%	32.10%
Vacant Housing Units	7,722	99,386
For seasonal, recreation, or		
Occasional use	303	7,336
Homeowner vacancy rate	2.00%	2.30%
Rental vacancy rate	8.70%	11.10%
Persons per Owner-occupied Unit	2.81	2.64
Persons per Renter-occupied Unit	2.06	2.31
Units with Over One Person per Room	1,533	23,690
UNITS IN STRUCTURE		
1-Unit, Detached	96,765	747,318
1-Unit, Attached	12,094	34,868
2 to 4 units	7,348	74,100
5 to 9 units	10,193	34,720
10 or more units	16,008	74,710
Mobile home, trailer, other	1,747	78,396
Total Housing Units in Structure	144,155	1,044,112
YEAR HOUSEHOLDER MOVED INTO UNIT		
1989 to March 1990	31,718	206,514
1985 to 1988	48,928	257,440
1980 to 1984	18,057	131,868
1970 to 1979	21,243	169,650
1960 to 1969	10,259	84,344
1950 to earlier	6,228	94,910
YEAR STRUCTURE BUILT		
1989 to March 1990	3,630	13,656
1985 to 1988	25,622	72,923
1980 to 1984	17,861	90,379
1970 to 1979	33,659	211,563
1960 to 1969	27,549	144,371
1950 to 1959	22,040	165,656
1940 to 1949	8,497	89,456
1939 to earlier	5,297	256,108
Total Housing Units	144,155	1,044,112

EXHIBIT III-20 (CONTINUED)

JOHNSON COUNTY HOUSING CHARACTERISTICS, 1990

VALUE (Homeowner Estimate)		
Specified owner-occupied units	86,592	500,628
Less than \$50,000	4,140	237,988
\$50,00 to \$99,999	47,706	199,619
\$100,00 to \$149,999	20,934	41,114
\$150,000 to \$199,999	7,320	12,348
\$200,000 or more	6,492	9,559
Median (dollars)	\$91,500	\$52,200
CONTRACT RENT		
Less than \$250	2,385	108,024
\$250 to \$499	25,093	135,697
\$500 or more	13,042	26,743
Median (dollars)	\$438	\$285
MORTGAGE STATUS AND SELECTED MONTHLY OWNER COST		
Specified owner-occupied housing	87,541	507,512
With a mortgage	70,590	306,884
Less than \$300	1,229	19,900
\$300 to \$499	7,233	79,521
\$500 to \$699	12,544	80,807
\$700 to \$999	24,110	77,646
\$1,000 to \$1,499	17,635	36,171
\$1,500 to \$1,999	4,795	8,187
\$2,000 or more	3,044	4,652
Median (dollars)	\$874	\$628
Not mortgaged	16,951	200,628
Less than \$100	63	11,525
\$100 to \$199	4,267	104,464
\$200 to \$299	7,395	63,101
\$300 to \$399	3,061	14,928
\$400 or more	2,165	6,610
Median (dollars)	\$250	\$187
GROSS RENT		
Specified renter-occupied housing	41,385	289,751
Less than \$200	1,098	32,286
\$200 to \$299	1,082	54,831
\$300 to \$499	16,713	126,739
\$500 to \$749	17,288	49,699
\$750 to \$999	3,300	7,529
\$1,000 or more	1,306	2,789
No cash rent	598	15,878
Median (dollars)	\$515	\$372

Source: 1990 Census of Population and Housing.

EXHIBIT III-21

CURRENT FACILITY USE AGREEMENTS AT SUNFLOWER

Current FUA Lease Terms (Years)	Use	Location	Area
<i>Heavy And Light Industrial/Commercial Uses</i>			
Lenexa P.D. 5/5	Warehouse	Building 566-8	3,939 square feet
Burns & McDonnell-1/1	Office	Building 232 S	2,800 square feet
J&M Enterprises	Truck Storage	Building 566-6	3,939 square feet
KOCH-5/5	Warehouse	Buildings 719-2 and 8037-3	13,200 square feet
KOCH-5/5	Chemical Manufacture	Acid Plant	NA
Kansas Wastewater - 15/5/5	Wastewater Treatment	Numerous Buildings	33,497 square feet
SAC's-1	Warehouse	Buildings 8037-6 and -5	20,800 square feet
Sunflower Environmental-5/5	Recycle Lights	Building 1685-4	10,400 square feet
Frederes-5	Furniture Refinishing	Building 507-5	6,289 square feet
Fumanski-1/1	Warehouse	Building 5045	1,500 square feet
Performance Glass-1	Warehouse	Building 603-8	1,972 square feet
Oz Entertainment-1	Office	Building 200	52,038 square feet
Lowell Ind. Inc.-2/2/2/2	Steel Fabricator	Building 500 S	9,000 square feet
Sunflower Aquaculture-10/10	Fish Farming	Building 123	44,662 square feet
<i>Agricultural Uses</i>			
Kansas State University	Horticultural Research	Southeast portion of Sunflower	380 acres
Multiple Grazing Leases	Livestock grazing, hay, and alfalfa production	Various locations	Approximately 6,948 acres
<i>Utilities</i>			
Sprint SW Bell-5/5/5/5/5	Communications Tower	Multiple Buildings	2,500 square feet
City of DeSoto-1/1	Potable Water		35,031 square feet
<i>Recreational/Entertainment</i>			
Eagle Baseball-1	Train Center	Building 227	4 acres
Hundesport-5	Dog Training	Buildings 227-12 and 204-4	7,866 square feet

EXHIBIT III-21 (CONTINUED)

CURRENT FACILITY USE AGREEMENTS AT SUNFLOWER

Current FUA Lease Terms (Years)	Use	Location	Area
Sunflower Park, Johnson County Parks and Recreation	Passive Recreation Park	Northern boundary of Sunflower	40 acres
City of DeSoto	Athletic Fields	Adjacent to Sunflower Park	—
City of DeSoto Park	Passive Recreation Park	Southwest boundary of Sunflower	50 acres

Sources: SFAAP Strategic Marketing Newsletter, September 8, 1998; Final Grazing Study Work Plan, SFAAP, May 1996; and; *Conceptual Land Use Plan* SFAAP, An Amendment to Johnson County Rural Comprehensive Plan, July 23, 1998.

b. Surrounding Land Use Characteristics

Unincorporated Johnson County has become a speculative investment area for residential, industrial, and commercial (office) development. There is still a significant amount of prime agricultural farmland in the county. Greater accessibility to these rural areas has brought developers in search of speculative land purchases. The *Johnson County Rural Comprehensive Plan* was established to prevent an unplanned mixture of farming operations and exclusive non-agriculturally utilized properties, which could result in land use incompatibilities including:

- Conflicts generated by differences in the physical characteristics of adjoining uses;
- Economic pressures to convert lower intensity uses to higher intensity uses; and
- Differences in the level of public services required for various uses.

The land use in the vicinity of Sunflower is still predominantly agricultural with very low-density housing. Most of the land is undeveloped. This has required very limited improvements to surrounding area public services. The area has seen some increased commercial development on the north side of the DeSoto/K-10 Highway interchange, including several service-based businesses (i.e., restaurants and service stations). Also, to the north is a new high school for the DeSoto Unified School District.

The City of DeSoto has historically been an agricultural based economy. According to their Comprehensive Plan, only 1.4 acres of land were utilized for industrial development. In recent years, three industrial tenants have located or been annexed to the city. They include the Sealright manufacturing plant, Engineered Air, and Miles Inc.

Commercial development within the business district for the City of DeSoto is along 83rd Street and Old Highway 10, including over 50 commercial parcels. Other commercial development, as indicated above, has occurred at the Lexington Avenue/K-10 interchange. This is primarily the Corridor 10 Commerce